

**SERIAL 03211 RFP FACILITIES MANAGEMENT STAFFING AND BENCHMARKING
STUDY (NIGP 91867)**

DATE OF LAST REVISION: September 13, 2006 CONTRACT END DATE: March 31, 2007

CONTRACT PERIOD THROUGH MARCH 31, 2007

TO: All Departments
FROM: Department of Materials Management
SUBJECT: Contract for **FACILITIES MANAGEMENT STAFFING AND BENCHMARKING
STUDY (NIGP 91867)**

Attached to this letter is published an effective purchasing contract for products and/or services to be supplied to Maricopa County activities as awarded by Maricopa County on **March 17, 2004**.

All purchases of products and/or services listed on the attached pages of this letter are to be obtained from the vendor holding the contract. Individuals are responsible to the vendor for purchases made outside of contracts. The contract period is indicated above.

Wes Baysinger, Director
Materials Management

DL/mm
Attach

Copy to: Clerk of the Board
Evan Johns, Facilities Management
Mirheta Muslic, Materials Management



CONTRACT PURSUANT TO RFP **FOR** **FACILITIES MANAGEMENT STAFFING & BENCHMARKING STUDY**

SERIAL 03211-RFP

This Contract is entered into this 17th day of March, 2004 by and between Maricopa County ("County"), a political subdivision of the State of Arizona, and FM SOLUTIONS INC., an Arizona corporation ("Contractor") for the purchase of consulting services to perform a Facilities Management staffing, benchmarking and salary study.

1.0 TERM

- 1.1 This Contract is for a term of three (3) years, beginning on the 17th day of March, 2004 and ending the 31st day of March, 2007.
- 1.2 The County may, at its option and with the agreement of the Contractor, extend the period of this Contract for additional one (1) year terms up to a maximum of two (2) additional terms. The County shall notify the Contractor in writing of its intent to extend the Contract period at least thirty (30) calendar days prior to the expiration of the original contract period, or any additional term thereafter.

2.0 PAYMENT

- 2.1 As consideration for performance of the duties described herein, payment will be made on delivery and acceptance of each of the specified deliverables.
- 2.2 Payment under this Contract shall be made in the manner provided by law. Invoices shall be prepared and submitted in accordance with the instructions provided on the purchase order. Each invoice shall include validated hourly rate by category as set forth in, attached hereto, and incorporated herein as EXHIBIT "A". In addition to the charges for consulting services the invoices shall contain the following information: purchase order number, description of services, listed deliverables, approved travel expenses (with copies of receipts), and other expenses.

3.0 DUTIES

- 3.1 The Contractor shall perform all duties stated in the Agreed Scope of Work, attached hereto and incorporated herein as Exhibit "B."
- 3.2 Contractor shall perform services at the location(s) and time(s) stated in Exhibit "B," or in the purchase order requesting such services.
- 3.3 During the Contract term, County shall provide Contractor's personnel with adequate workspace for consultants and such other related facilities as may be required by Contractor to carry out its contractual obligations.

4.0 TERMS & CONDITIONS

4.1 INDEMNIFICATION AND INSURANCE:

4.1.1 INDEMNIFICATION

4.1.2 Indemnification.

To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless the County, its agents, representatives, officers, directors, officials, and employees from and against all claims, damages, losses and expenses, including but not limited to attorney fees and costs, relating to this Contract.

The amount and type of insurance coverage requirements set forth herein will in no way be construed as limiting the scope of the indemnity in this paragraph.

The scope of this indemnification does not extend to the sole negligence of **COUNTY**.

4.1.3 Insurance Requirements.

CONTRACTOR, at **CONTRACTOR'S** own expense, shall purchase and maintain the herein stipulated minimum insurance from a company or companies duly licensed by the State of Arizona and possessing a current A.M. Best, Inc. rating of B++6. In lieu of State of Arizona licensing, the stipulated insurance may be purchased from a company or companies which are authorized to do business in the State of Arizona, provided that said insurance companies meet the approval of **COUNTY**. The form of any insurance policies and forms must be acceptable to **COUNTY**.

All insurance required herein shall be maintained in full force and effect until all work or service required to be performed under the terms of the Contract is satisfactorily completed and formally accepted. Failure to do so may, at the sole discretion of **COUNTY**, constitute a material breach of this Contract.

CONTRACTOR'S insurance shall be primary insurance as respects **COUNTY**, and any insurance or self-insurance maintained by **COUNTY** shall not contribute to it.

Any failure to comply with the claim reporting provisions of the insurance policies or any breach of an insurance policy warranty shall not affect coverage afforded under the insurance policies to protect **COUNTY**.

The insurance policies may provide coverage, which contains deductibles or self-insured retentions. Such deductible and/or self-insured retentions shall not be applicable with respect to the coverage provided to **COUNTY** under such policies. **CONTRACTOR** shall be solely responsible for the deductible and/or self-insured retention and **COUNTY**, at its option, may require **CONTRACTOR** to secure payment of such deductibles or self-insured retentions by a surety bond or an irrevocable and unconditional letter of credit.

COUNTY reserves the right to request and to receive, within 10 working days, certified copies of any or all of the herein required insurance policies and/or endorsements. **COUNTY** shall not be obligated, however, to review such policies and/or endorsements or to advise **CONTRACTOR** of any deficiencies in such policies and endorsements, and such receipt shall not relieve **CONTRACTOR** from, or be deemed a waiver of **COUNTY'S** right to insist on strict fulfillment of **CONTRACTOR'S** obligations under this Contract.

The insurance policies required by this Contract, except Workers' Compensation, shall name **COUNTY**, its agents, representatives, officers, directors, officials and employees as Additional Insureds.

The policies required hereunder, except Workers' Compensation, shall contain a waiver of transfer of rights of recovery (subrogation) against **COUNTY**, its agents, representatives, officers, directors, officials and employees for any claims arising out of **CONTRACTOR'S** work or service.

- 4.1.3.1 Commercial General Liability. **CONTRACTOR** shall maintain Commercial General Liability Insurance (CGL) and, if necessary, Commercial Umbrella Insurance with a limit of not less than \$1,000,000 for each occurrence with a \$2,000,000 Products/Completed Operations Aggregate and a \$2,000,000 General Aggregate Limit. The policy shall include coverage for bodily injury, broad form property damage, personal injury, products and completed operations and blanket contractual coverage including, but not limited to, the liability assumed under the indemnification provisions of this Contract which coverage will be at least as broad as Insurance Service Office, Inc. Policy Form CG 00 01 10 93 or any replacements thereof. There shall be no endorsement or modification of the CGL limiting the scope of coverage for liability arising from explosion, collapse, or underground property damage.

The policy shall contain a severability of interest provision, and shall not contain a sunset provision or commutation clause, or any provision, which would serve to limit third party action over claims.

The CGL and the commercial umbrella coverage, if any, additional insured endorsement shall be at least as broad as the Insurance Service Office, Inc.'s Additional Insured, Form CG 20 10 10 01, and shall include coverage for **CONTRACTOR'S** operations and products.

- 4.1.3.2 Automobile Liability. **CONTRACTOR** shall maintain Automobile Liability Insurance and, if necessary, Commercial Umbrella Insurance with a combined single limit for bodily injury and property damage of no less than \$1,000,000, each occurrence, with respect to **CONTRACTOR'S** vehicles (including owned, hired, non-owned), assigned to or used in the performance of this Contract. If hazardous substances, materials, or wastes are to be transported, MCS 90 endorsement shall be included and \$5,000,000 per accident limits for bodily injury and property damage shall apply.

- 4.1.3.3 Workers' Compensation. **CONTRACTOR** shall carry Workers' Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction of **CONTRACTOR'S** employees engaged in the performance of the work or services, as well as Employer's Liability insurance of not less than \$100,000 for each accident, \$100,000 disease for each employee, and \$500,000 disease policy limit.

CONTRACTOR waives all rights against **COUNTY** and its agents, officers, directors and employees for recovery of damages to the extent these damages are covered by the Workers' Compensation and Employer's Liability or commercial umbrella liability insurance obtained by **CONTRACTOR** pursuant to this agreement.

In case any work is subcontracted, **CONTRACTOR** will require the Subcontractor to provide Workers' Compensation and Employer's Liability insurance to at least the same extent as required of **CONTRACTOR**.

4.1.4 Certificates of Insurance.

4.1.4.1 Prior to commencing work or services under this Contract, Contractor shall furnish the County with certificates of insurance, or formal endorsements as required by the Contract in the form provided by the County, issued by Contractor's insurer(s), as evidence that policies providing the required coverage, conditions and limits required by this Contract are in full force and effect. Such certificates shall identify this contract number and title.

In the event any insurance policy(ies) required by this contract is(are) written on a "claims made" basis, coverage shall extend for two years past completion and acceptance of **CONTRACTOR'S** work or services and as evidenced by annual Certificates of Insurance.

If a policy does expire during the life of the Contract, a renewal certificate must be sent to **COUNTY** fifteen (15) days prior to the expiration date.

4.1.4.2 Cancellation and Expiration Notice.

Insurance required herein shall not be permitted to expire, be canceled, or materially changed without thirty (30) days prior written notice to the County.

4.2 PROCUREMENT CARD ORDERING CAPABILITY:

It is the intent of Maricopa County to utilize the MasterCard Procurement Card, or other procurement card that may be used by the County from time to time, to place and make payment for orders under the Contract.

4.3 INTERNET ORDERING CAPABILITY:

It is the intent of Maricopa County at its option to utilize the Internet to place orders under this Contract.

4.4 NOTICES:

All notices given pursuant to the terms of this Contract shall be addressed to:

For County:

Maricopa County
Department of Materials Management
Attn: Director of Purchasing
320 West Lincoln Street
Phoenix, Arizona

For Contractor:

FMSOLUTIONS INC.
3877 N. 7th St., Suite 210
Phoenix, AZ 85014
Attn: Mr. Phil Booker

4.5 REQUIREMENTS CONTRACT:

Contractor signifies its understanding and agreement by signing this document, that this Contract is a requirements contract. This Contract does not guarantee any purchases will be made. Orders will only be placed when County identifies a need and issues a purchase order.

Contractor shall take no action under this Contract unless specifically requested by County, which shall submit a written purchase order to Contractor requesting that work be performed or product be delivered.

County reserves the right to cancel purchase orders within a reasonable period of time after issuance. Should a purchase order be canceled, the County agrees to reimburse the Contractor for actual and documented costs incurred by the Contractor pursuant to the purchase order. The County will not reimburse the Contractor for any costs incurred after receipt of cancellation, or for lost profits, or shipment of product or performance of services prior to issuance of a purchase order.

4.6 ESCALATION:

Any requests for reasonable price adjustments must be submitted thirty (30) days prior to the Contract expiration date. Requests for adjustment in cost of labor and/or materials must be supported by appropriate documentation. If County agrees to the adjusted price terms, County shall issue written approval of the change. The reasonableness of the request will be determined by comparing the request with the Producer Price Index or by performing a market survey.

4.7 TERMINATION:

County may unconditionally terminate this Contract for convenience by providing thirty (30) calendar days advance notice to the Contractor.

County may terminate this Contract if Contractor fails to pay any charge when due or fails to perform or observe any other material term or condition of the Contract, and such failure continues for more than ten (10) days after receipt of written notice of such failure from County, or if Contractor becomes insolvent or generally fails to pay its debts as they mature.

4.8 STATUTORY RIGHT OF CANCELLATION FOR CONFLICT OF INTEREST:

Notice is given that pursuant to A.R.S. § 38-511 the County may cancel this Contract without penalty or further obligation within three years after execution of the contract, if any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the County is at any time while the Contract or any extension of the Contract is in effect, an employee or agent of any other party to the Contract in any capacity or consultant to any other party of the Contract with respect to the subject matter of the Contract. Additionally, pursuant to A.R.S § 38-511 the County may recoup any fee or commission paid or due to any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the County from any other party to the contract arising as the result of the Contract.

4.9 OFFSET FOR DAMAGES;

In addition to all other remedies at law or equity, the County may offset from any money due to the Contractor any amounts Contractor owes to the County for damages resulting from breach or deficiencies in performance under this contract.

4.10 ADDITIONS/DELETIONS OF SERVICE:

The County reserves the right to add and/or delete products and/or services provided under this Contract. If a requirement is deleted, payment to the Contractor will be reduced proportionately to the amount of service reduced in accordance with the proposal price. If additional services and/or products are required from this Contract, prices for such additions will be negotiated between the Contractor and the County.

4.11 SUBCONTRACTING:

The Contractor may not assign this Contract or subcontract to another party for performance of the terms and conditions hereof without the written consent of the County, which shall not be unreasonably withheld. All correspondence authorizing subcontracting must reference the Proposal Serial Number and identify the job project.

4.12 AMENDMENTS:

All amendments to this Contract must be in writing and signed by both parties.

4.13 RETENTION OF RECORDS:

The Contractor agrees to retain all financial books, records, and other documents relevant to this Contract for five (5) years after final payment or until after the resolution of any audit questions which could be more than five (5) years, whichever is longer. The County, Federal or State auditors and any other persons duly authorized by the Department shall have full access to, and the right to examine, copy and make use of, any and all said materials.

If the Contractor's books, records and other documents relevant to this Contract are not sufficient to support and document that requested services were provided, the Contractor shall reimburse Maricopa County for the services not so adequately supported and documented.

4.14 AUDIT DISALLOWANCES:

If at any time County determines that a cost for which payment has been made is a disallowed cost, such as overpayment, County shall notify the Contractor in writing of the disallowance. County shall also state the means of correction, which may be but shall not be limited to adjustment of any future claim submitted by the Contractor by the amount of the disallowance, or to require repayment of the disallowed amount by the Contractor.

4.15 VALIDITY:

The invalidity, in whole or in part, of any provision of the Contract shall not void or affect the validity of any other provision of this Contract.

4.16 RIGHTS IN DATA:

The County shall have the use of data and reports resulting from this Contract without additional cost or other restriction except as provided by law. Each party shall supply to the other party, upon request, any available information that is relevant to this Contract and to the performance hereunder.

4.17 INTEGRATION

This Contract represents the entire and integrated agreement between the parties and supersedes all prior negotiations, proposals, communications, understandings, representations, or agreements, whether oral or written, expressed or implied.

IN WITNESS WHEREOF, this Contract is executed on the date set forth above.

CONTRACTOR

AUTHORIZED SIGNATURE

PRINTED NAME AND TITLE

ADDRESS

DATE

MARICOPA COUNTY

BY: _____
DIRECTOR, MATERIALS MANAGEMENT

DATE

BY: _____
CHAIRMAN, BOARD OF SUPERVISORS

DATE

ATTESTED:

CLERK OF THE BOARD

DATE

APPROVED AS TO FORM:

MARICOPA COUNTY ATTORNEY

DATE

EXHIBIT A-PRICING

SERIAL: 03211-RFP

PRICING SHEET: P089518 / B0604601 / NIGP 91867

BIDDER NAME: **FM SOLUTIONS INC**F.I.D./VENDOR #: **W000002592 X**BIDDER ADDRESS: **4001 N 3RD STREET SUITE 250, PHOENIX, AZ 85014**
3877 N. 7TH STREET, SUITE 210, PHOENIX, AZ 85014

P.O. ADDRESS: SAME AS ABOVE

BIDDER PHONE #: 602-265-7900

BIDDER FAX #: 602-265-9477

COMPANY WEB SITE: WWW.FACILITIZE.COMCOMPANY CONTACT (REP): **PHIL BOOKER Jamie Strecker**E-MAIL ADDRESS (REP): PBOOKER@FACILITIZE.COM jstrecker@facilitize.comWILLING TO ACCEPT FUTURE SOLICITATIONS VIA EMAIL: ☒ **YES** ☐ **NO**ACCEPT PROCUREMENT CARD: ☐ **YES** ☐ **NO** *REBATE (CASH OR CREDIT) FOR UTILIZING PROCUREMENT CARD: * ☐ **YES** ☐ **NO** %
REBATE*** NOT SURE IF THIS APPLIES TO THIS TYPE OF SERVICE**

(Payment shall be made within 48 hrs utilizing the Purchasing Card)

INTERNET ORDERING CAPABILITY: ☐ **YES** ☐ **NO** ☐ % DISCOUNT *OTHER GOV'T. AGENCIES MAY USE THIS CONTRACT: ☒ **YES** ☐ **NO**

PAYMENT TERMS: BIDDER IS REQUIRED TO PICK ONE OF THE FOLLOWING.

TERMS WILL BE CONSIDERED IN DETERMINING LOW BID.

FAILURE TO CHOOSE A TERM WILL RESULT IN A DEFAULT TO NET 30.

BIDDER MUST INITIAL THE SELECTION BELOW.

NET 10 _____	NET 60 _____	<u>5% 30 NET 31</u>
NET 15 _____	NET 90 _____	_____
NET 20 _____	2% 10 NET 30 _____	_____
NET 30 <u>selected</u>	1% 10 NET 30 _____	_____
NET 45 _____	2% 30 NET 31 _____	_____

1.0 PRICING:

Billing upon deliverable hours. Must document work hours for staff.

1.1	Pricing, for consulting services for this project, not to exceed, based on the proposal scope of work:	<u>\$116,550</u>
1.2	PERSONNEL CATEGORIES: HOURLY RATE	PROPOSED HOURS
1.2.1	Principal	\$165 178
1.2.2	Project Manager	\$135 260
1.2.3	Project Assistant	\$120 134
1.2.4	Technical Specialist	\$ 90 380
1.2.5	Clerical	\$ 45 40
1.3	ADDITIONAL WORKING TITLE (WT) SALARY EVALUATION	<u>\$475.00/WT</u>
1.3a	Added six (6) additional WTs	<u>\$2,850.00</u>
1.4	Added TASK 2.8 WAREHOUSE EVALUATION PHASE ONE	<u>\$7,000.00</u>
1.5	Added TASK 2.9 SUPPLEMENTAL PROCESS CHANGE	<u>\$9,975.00</u>

SUPPORT

1.6	Added TASK 2.10 REVIEW WAREHOUSE REPORTS AND METRICS	<u>\$2,400.00</u>
------------	---	--------------------------

NOTE: All travel is to be in accordance with the Maricopa County travel policy and must be pre-approved by the Maricopa County project administrator.

1.7	Added TASK 2.11 WEB BASED FACILITY OCCUPANT SURVEY	<u>\$7,500.00</u>
------------	---	--------------------------

1.8	Added TASK 2.12 PLANNING CENTER WORKSHOP	<u>\$9,000.00</u>
------------	---	--------------------------

1.9	Added TASK 2.13 CFO/OMD INTERFACE PLANNING WRKSHP	<u>\$3,000.00</u>
------------	--	--------------------------

4.4 4.5 4.7 1.10	TRAVEL:	CAPPED AT ____ 10 ____ % OF NTE
--	----------------	--

1.11	Added TASK 2.14 PROTECTIVE SERVICES SALARIES STUDY	<u>\$1,925.00</u>
-------------	---	--------------------------

1.12	Added TASK 2.54 PROTECTIVE SERVICES STAFFING STUDY	<u>\$12,750.00</u>
-------------	---	---------------------------

1.13	Added Task 2.16 FACILITIES O&M COST SUMMARY AND ANALYSIS	<u>\$ 3,380.00</u>
-------------	---	---------------------------

EXHIBIT B- SCOPE OF WORK

In accordance with the work plan described in Section 4 of FM Solutions' proposal for the services specified in this contract, FM Solutions Inc (FMS) will perform the work required to accomplish the following three Objectives for Maricopa County's Facilities Management Department (FMD) in accordance with Maricopa County's Managing For Results Program. Incorporated into this proposal and in accordance with section 4.10 of the contract are Exhibits C and D, Maricopa County's "Issues Log" and "Change Control Log." Contents of the Issues Log and Change Control Log will be addressed during bi-weekly Steering Committee meetings.

Objective 1 - Staffing Analysis

Task 1.1 Develop an Understanding of the Key Issues

FMS will identify the key issues impacting and shaping service requirements for FMD by conducting interviews with the Facilities Management Director, Deputy Director, Operations and Maintenance Division Chief, Office of Management and Budget (OMB) and key members of the Department's management team as appropriate. These interviews will focus on the following areas:

- 1) Goals and objectives of FMD for the delivery of services
- 2) Key operating issues associated with the delivery of services
- 3) The impacts of growth on the FMD Operations and Maintenance Division (O&M) and related administrative functions over the next several years and the related impact this growth will have on staffing broken out by funding sources, General Fund versus Detention.
- 4) The adequacy of data collection and management reporting capabilities by FMD using MAXIMO
- 5) The philosophy regarding contracting for facilities maintenance services
- 6) The impact of resource constraints on items such as deferred maintenance
- 7) The adequacy of preventive maintenance and deferred maintenance

The Deliverable from this Task will be a detailed project work plan.

Task 1.2 Develop a Descriptive Profile

FMS will develop an understanding of the O&M Division's organization, staffing, budgets and operations relating to FMD. This will be based on the following reviews:

- 1) The current FMD plan of organization, including:
 - a) The structure and functions of each organizational unit
 - b) Staffing levels of each organizational unit
 - c) The basic job responsibilities for management, supervisory and operational staff
 - d) The budgets, staffing utilization and performance for the current and two prior fiscal years at an appropriate level of detail

- 2) Key FMD programs and operations, including:
 - a) Staff scheduling and deployment
 - b) Facility portfolio dimensions and unique maintenance requirements
 - c) Approaches to managing repair projects and repair projects as related to O&M Division.
 - d) Basic O&M service levels and workload as reflected by MAXIMO and FMD's Base Level Service Agreement.
 - e) Equipment inventory data
 - f) Utilization of contracted services
- 3) Management systems available to support operations, including:
 - a) Financial reporting and budgeting
 - b) Business processes and procedures
 - c) MAXIMO use and planned enhancements
 - d) Performance reporting systems
 - e) Customer satisfaction monitoring and reporting.
- 4) Extent of facility maintenance staffing and services provided in other County departments (outside of FMD)

The Deliverable from this Task will be a summary Descriptive Profile documenting FMD's O&M Division's current organization, staffing, operations and costs.

Task 1.3	Evaluate Staff Utilization, Staff Productivity, and Service Levels
-----------------	---

FMS will analyze and document O&M Division's and related administrative staffing requirements for existing and proposed facilities. This will include the following types of analytical activities:

- 1) Gather and analyze the appropriate policies, procedures, and operations guidelines that affect staffing
- 2) Analyze the level of preventive maintenance currently being delivered compared to industry guidelines including documentation of:
 - a) Labor hours required to consistently meet preventive maintenance guidelines
 - b) Preventive maintenance that is currently performed by contractors
 - c) Opportunities to expand the use of contractors, if any
- 3) Assess the extent of the backlog of deferred maintenance and current Facility Condition Indices
- 4) Evaluate the extent of labor hours allocated to corrective maintenance based on:
 - a) The amount of corrective maintenance labor hours by facility
 - b) The amount of corrective maintenance labor hours by work task and type of craft

- c) The use of contractors, if any, to perform corrective maintenance
 - d) An assessment of the extent that implementation of an effective preventive maintenance program could lessen the demand for corrective maintenance
- 5) Analyze the extent of labor hours allocated to discretionary maintenance to determine whether some or all of this work could be cost-effectively performed by contractors.
 - 6) Evaluate the adequacy of major work practices to focus on opportunities to streamline work practices to increase utilization levels and/or reduce requirements for staff, overhead, equipment, and property.
 - 7) Evaluate work planning and scheduling systems and processes to improve the efficient utilization of staff
 - 8) Document the actual staff hours available for the work performed with consideration for such factors as regular days off, vacations, holidays, staff meetings, get ready and cleanup time each day, etc.
 - 9) Document the extent of reliance on overtime by FMD to determine if these services could be more cost-effectively provided through additional staff, reallocated staff or external resources.
 - 10) Assess opportunities to reallocate staff from facility service divisions in other County departments to support FMD's staffing requirements by reviewing like Working Title information from the County's Human Resource Department and making recommendations for greater efficiencies.

The Deliverables from this Task will include the following elements:

- 1) *Proposed staffing level requirements* -- based on acceptable levels of preventive maintenance, reliability-based maintenance, and deferred maintenance.
- 2) *Positions that could be reallocated* -- if reasonable utilization levels were obtained or responsibility for facility services centralized.
- 3) *Steps that need to be taken* -- to reach reasonable utilization levels to include:
 - a) Changes in existing work methods and practices
 - b) Adjustments in existing planning and scheduling techniques
 - c) System related improvements that would provide a positive impact on staff utilization levels and staffing requirements.
- 4) *Cost impacts and justification* -- for specific reconfigurations or technical adjustments to offset recommended changes broken out into three periods, short term, intermediate and long-term. The deliverables will contain a cost benefit analysis of the various plan components.
- 5) *Identification of areas in which additional resources are required* -- to address service level deficiencies prioritized through cost/ benefit impacts.
- 6) *Proposed modifications to the O&M Division's Base Level Service Agreement.*

Objective 2 – Benchmarking Program

Task 2.1 Kick off Meeting

FMS will meet with the FMD Leader of the Executive Steering Committee, representatives from the Office of Management and Budget (OMB) and employees of FMD to accomplish the following:

- 1) Discuss backgrounds, methodology, expectations, and roles
- 2) Review FMD existing “As-Is” condition and status of work to date in order to provide the FMS with an updated point of reference which will be used to develop more-detailed work plans to for this phase of work
- 3) Identify any missing or incomplete information that needs to be developed or researched
- 4) Review previous customer survey that will be used to determine occupant satisfaction and conduct limited additional surveys as determined by FMD and OMB.
- 5) Document both OMB’s and FMD’s improvement expectations and key issues

Task 2.2 Data Collection and Assembly

FMS will identify key cost drivers and performance metrics that will be used to facilitate comparisons to readily available benchmark data in both the public and private sectors. Maricopa County actual cost performance records will be reviewed and analyzed to categorize the existing County information into pre-established formats for benchmarking studies. The key cost drivers and performance metrics that will be used to facilitate comparisons to existing industry benchmark data are:

- 1) Maintenance - costs and percent of PM activity
- 2) Energy consumption and costs
- 3) Custodial costs, staffing and cleaning frequencies
- 4) Landscape costs
- 5) Turn around (work-cycle) time
- 6) Equipment Performance (reliability data)

Task 2.3 Prioritization Workshop with County Leadership

FMS will facilitate a team workshop to review and group the current process elements to prioritize the most important areas for focus during the Benchmarking Program. Key cost drivers and metrics that facilitate comparisons to readily available benchmarking data will be identified. This will provide a solid basis for all team members to focus on the highest priority issues that will deliver the greatest benefit for Maricopa County. The three major areas for measurement that will be considered are:

Service Responsiveness (Satisfaction, Cost & Time)

Service Call Management
Service Dispatching
Customer Support
Service Call Closure
Service Territory Planning

Work Performance (Cost & Time)

Equipment Maintenance Planning
Equipment Performance Monitoring
Major Maintenance Planning (MMP) & Implementation as related to the O&M Division’s identification of MMP projects and their incorporation in a continuing MMP as prepared by CFD.
MAXIMO – Computerized Maintenance Management System

Supplier Support (Cost & Time)

Supplier Identification
Product Servicing
Invoice Processing
Inventory Control

The Deliverables from these first three Benchmarking Tasks will include:

- 1) *Documentation of Existing Conditions* – A summary of FMS work to date, results from the initial kick-off meeting, as well as a listing of major processes grouped and ranked during the Prioritization Workshop. This summary will provide a basis to validate areas for emphasis including:
 - a) Maintenance activities
 - b) Operating functions
 - c) Energy utilization
 - d) Administrative support
 - e) Performance analysis
 - f) Automation systems
 - g) Contractor management
- 2) *Cost and Performance Data Comparison Plan* – Documentation of the work plan for the subsequent Benchmarking Program including additional recommendations, questions or supplemental feedback that may be helpful to the Benchmarking Team.

Task 2.4	Benchmarking/Best Practices Workshop
-----------------	---

FM Solutions will assemble prior benchmarking research to develop a package of current best practices applicable to FMD's areas of interest. Proven best practices examples and a case study of how to deliver dramatic savings through a comprehensive improvement program will be provided. A quadrant matrix evaluation will be used to bring both dimensions into focus so that high-service quality/low cost performers can be identified as best practices for follow up and potential site visits.

A workshop will be conducted to present background materials and facilitate the development of a team plan for the best practices research phase with key team members selected by the County. The level of participation in this important interactive session is at the County's option. The workshop will utilize a Strength-Weakness-Opportunity-Threat (SWOT) Analysis approach to focus on improvements in the following areas as appropriate:

- 1) Work Processes
- 2) Delivery of Service
- 3) Invoice Processing
- 4) Customer Satisfaction
- 5) Critical Cost Components-FMS will be responsible for the development of a factored weighting system to allocate various types of operational costs to facilities as opposed to the current square footage method that is applied to all

facilities regardless of facility type. The analysis and recommendation will detail any increased workload associated with this type of allocation method.

6) Operating Performance

Organizations with proven performance records will be selected for further review and analysis. An interview protocol and potential site visit plan will also be developed.

Task 2.5 Best Practices Research Support

FMS will provide ongoing direction and support to the County team during the best practice research, including guidance and suggestions for the team, as necessary. FMS will be prepared to facilitate and participate on benchmarking site visits as requested by FMD. All findings will be documented and summarized for further evaluation.

The Deliverables from these two Tasks will include:

- 1) *Training Workshop Results* – Key County team members will be given the opportunity to participate in a one day training session covering the following topics:
 - a) An overview of Benchmarking as a tool
 - b) How to select applicable Best Practices (steps, hints, tips, lessons learned
 - c) An overview of how benchmarking leads to identifying companies with recognized best practices
 - d) Secondary research sources for performance metrics
 - e) Sample metrics – an initial look at various performance metrics related to selected areas of focus
 - f) Development of a Benchmarking/Best Practice Action Plan
 - g) Best practice information – a package of materials that provides best practices information and ideas
- 2) *Benchmarking/Best Practice Action Plans* – A written action plan including strategic objectives and questionnaires that will solicit applicable best practices information from comparable companies.
- 3) *Benchmarking/Best Practices Presentation Document* -- A presentation document summarizing the key best practice findings relevant to the County for presentation to their Executive Leadership.

Task 2.6 Improvement Concept Workshop

FMS will evaluate the results of the Benchmarking/Best Practices Phase and develop a conceptual workshop to help FMD define the most desirable future (To-Be) organizational & process improvement concepts. Brainstorming type exercises will be utilized in each of the selected improvement areas for the following:

- 1) What County processes compare favorably to benchmark data and why
- 2) What County processes compare un-favorably to benchmark data and why
- 3) How can identified Best Practices be applied to Maricopa County and what are the barriers
- 4) Define improvement scenarios for each of the selected areas with specific objectives that can be quantified including target improvements, required IT/other systems support, barriers to implementation, and projected timing

- 5) Evaluate defined scenarios for pros and cons. Concepts which are suitable for further consideration will be determined and cost justified

Task 2.7 Improvement Process Development

FMS will provide ongoing support to FMD with the development of specific “To Be” Improvement Processes for each of the selected improvement areas to include the following:

- 1) Revised Process Maps
- 2) Organizational changes to include internal personnel, supplier relationships, roles, and responsibilities
- 3) Required tools to include IT requirements
- 4) Cost of implementation including impacts to other processes
- 5) Specific process improvement goal
- 6) Specific performance measurement targets including current baselines
- 7) Potential Barriers
- 8) Preparation of Business Cases
- 9) Development of an Implementation Plan and Feedback Process

FMS will also be prepared to provide additional logistical support upon request by Maricopa County.

The Deliverables from the preceding two Tasks will include:

- 1) *Concept Workshop Results* - Documentation of the following:
 - a) Identification of processes that are performing well and those that need improvement (compared to industry benchmarks)
 - b) Identification of desirable Best Practices to be applied in FMD including identification of potential barriers
 - c) Development of potential “To Be” Improvement Scenarios
 - d) Evaluation and determination of which Improvement Scenarios are eligible for further consideration
- 2) *Improvement Concept Presentation Document* - A presentation document outlining the selected “To-Be” Improvement Concept(s) for implementation by FMD which will include:
 - a) Process Mission or Strategy
 - b) Performance Targets
 - c) Process Model (segments and structure)
 - d) Process Flows (high level)
 - e) Organizational Structure
 - f) Team Roles and Responsibilities

- g) Technology Requirements
- h) Policy or Change Management Requirements
- i) Cost/Benefits including short term and long term financial benefits

Task 2.8	Warehouse Evaluation
-----------------	-----------------------------

FM will interview key personnel and document the existing warehouse processes, evaluate recommended staffing size for the functions, assist in recommending key performance metrics as well as identify improvement opportunities.

Phase One

1. Document the Existing Process

FM Solutions will interview (3) key Warehouse personnel, as well as (3) key customers and document the process of the warehouse as it relates to:

- Receiving and Shipping Activity
- Inventory Levels
- Customer Order Profiles
- Stock Keeping Data
- Special Ordering/Storage Requirements

FM Solutions will also review and use the existing Policy and Procedure Manual, MAXIMO Data as well as the recent Internal Audit as resources.

2. Improvement Opportunities

Fm Solutions will evaluate the results of all the above. In a collaborative approach FM Solutions will develop a list of written improvement opportunities that will improve speed, accuracy, timeliness and cost effectiveness.

3. Metrics

FM Solutions will provide some suggested performance metrics based upon existing processes and/or recommended improvement processes.

Objective Three – Salary Survey

Task 2.9	Supplemental Process Change Support
-----------------	--

TASK DESCRIPTION

FM Solutions will provide professional services to support on-going organizational and process changes within Facilities Management Division – Operations and Maintenance as directed by Maricopa County.

1. Maximo Upgrade Support Services

- Develop key metrics and operational reports to be incorporated into separate Maricopa County “Maximo Upgrade to 5.2 Project”.
- Assist with integration of metrics and operational reports into final Maximo process flow procedures established by O&M.

- Identify process improvements that can be integrated into Maximo Upgrade process.
- Summarize and quantify efforts to implement identified process improvements.

2. Organizational Change Support Services

- Review equipment listings and associated preventative maintenance processes in selected buildings to identify process improvement opportunities.
- Review and analyze O&M work histories in selected existing buildings to identify process improvement opportunities.
- Review and analyze O&M cost data for existing buildings and establish cost baselines integrated with final O&M organizational structure.

TASK METHODOLOGY

FM Solutions Value Improvement Program (VIP) consisting of the following steps:

1. Assignment of FMS Project Manager and identification of key Maricopa County personnel that will form the respective Task Teams.
2. Facilitate Maximo Reports Workshop and develop draft report structures.
3. Facilitate Task Team progress and provide supplemental support services as required.
4. Continuation of current Facilities O&M Process Improvement Steering Committee with on-going bi-weekly status meetings.
5. Support process change implementation as directed by Steering Committee.

FM Solutions will facilitate team progress via regularly scheduled team workshops with clearly defined agendas, actions, and responsibilities as well as prepare associated charts, reports , and presentation materials required to communicate above deliverables to Maricopa County.

TASK DURATION

June 2004 – August 2004

Task 2.10	Review Warehouse Reports and Metrics
------------------	---

TASK DESCRIPTION

Fm Solutions will review and comment on reports and metrics given to them by Maricopa County. The review and comments will be consistent with FM Solutions knowledge, understanding and recommendation made on the Facilities Maintenance Parts Warehouse Process.

TASK METHODOLOGY

FM Solutions will review and comment on the above mentioned upon receipt of the requested service from Maricopa County. This service shall be limited to 20 hours.

TASK DURATION

September 2004 – December 2004

Task 2.11 Web Based Facility Occupant Survey

TASK DESCRIPTION

FMS shall coordinate the development of and conduct a web based occupant satisfaction survey of all County employees residing in six (6) major facility area groups defined by FMD. This information will be compared to industry standards and used to measure service level satisfaction for FMD teams assigned to the designated sites. Data will be used in support of the County's Managing For Results program.

TASK METHODOLOGY

- 1) FMD will identify up to six (6) site groupings and a listing of designated County facilities.
- 2) FMS will provide a web based survey tool using benchmarked industry questions (satisfaction and importance) which can be customized with up to five additional county specific questions plus open-ended comments.
- 3) FMD will distribute an email survey request to all selected County employees using the FMS connective web site icon to enter the survey database that will remain open 10 days based on FMD's direction.
- 4) FM Solutions will compile, review and analyze all data and comments from the web based survey process and will provide aggregate and area specific scores and performance metrics as part of an annual Occupant Satisfaction report. All direct comments submitted as part of the survey will also be provided on an un-edited form to FMD management.

TASK DURATION

October 2004 – November 2004

Task 2.12 Planning Center Workshops

TASK DESCRIPTION

FMS shall provide professional services to conduct and support up to three interactive workshops for FMD O&M personnel to assist with the development of what a new Maintenance Planning Center should be, how it should be organized and how to make it function in the most effective manner to support the asset based O&M site teams. Workshop attendance and schedule will be as defined by FMD management with input from FMS.

Workshop Support Services will include:

- 1) Definition of the concept thru implementation strategies.
- 2) Development of working documents to define what the Planning Center is; its purpose; its organizational structure; how it should function and how it will relate to the field teams.
- 3) Obtain and summarize feedback from workshops for further discussion as needed with FMD management and/or Facilities Steering Committee.
- 4) Assure consistency and conformance with the intent and benefits approved as part of the overall FMD improvement strategy based on recommendations approved in the Staffing/Benchmarking Study Report.

TASK METHODOLOGY

FM Solutions Value Improvement Program (VIP) workshop process consists of the following steps:

- 1) Review current Policy and Procedures with FMD/O&M leadership to identify areas that need to be addressed in the workshops.
- 2) Development of written workshop agendas and act as facilitator during workshop sessions to include summarizing and distributing written feedback from the workshops.
- 3) Capture participant contributions, ideas, and agreed upon process concepts.

- 4) Document and publish Planning Center charter and organizational responsibilities.
- 5) Document and publish Planning Center process concepts including associated process flowcharts, functional interfaces with field teams, and desired metrics.
- 6) Document and publish follow-up implementation action plans.
- 7) Schedule mutually agreed upon follow-up meeting to review progress of implementation action plan.

FM Solutions will facilitate team progress via regularly scheduled team workshops with clearly defined agendas, actions, and responsibilities as well as prepare associated charts, reports, and presentation materials required to communicate above deliverables to Count staff members.

TASK DURATION

November 2004 – December 2004

Task 2.13 CFD/OMD Interface Planning Workshops

Task Description

FMS shall provide professional services to conduct and support one additional interactive workshop for FMD O&M personnel to include selected CFD personnel which would address the interface with CFD processes related to the development of the new Maintenance Planning Center and functionality of the asset based O&M site teams. Workshop attendance and schedule will be as defined by FMD management with input from FMS.

Workshop Support Services will include

- 1) Definition of the concept thru implementation strategies
- 2) Development of working documents to define what the CFD/O&M interface is; how it should function within the MPC organizational structure and how it will relate to the field teams.
- 3) Obtain and summarize feedback from workshops for further discussion as needed with FMD management and/or Facilities Steering Committee.
- 4) Assure consistency and conformance with the intent and benefits approved as part of the overall FMD improvement strategy based on recommendations approved in the Staffing/Benchmarking Study Report.

Task Methodology

FM Solutions Value Improvement Program (VIP) workshop process consists of the following steps:

- 1) Development of written workshop agendas and act as facilitator during workshop sessions to include summarizing and distributing written feedback from the workshops
- 2) Capture participant contributions, ideas, and agreed upon process concepts
- 3) Document and publish CFD/O&M Interface with organizational responsibilities
- 4) Document and publish CFD/O&M Interface process concepts including associated process flowcharts, functional interfaces with MPC/field teams, and desired metrics
- 5) Document and publish follow-up implementation action plans
- 6) Schedule mutually agreed upon follow up meeting to review progress of implementation action plan

FM Solutions will facilitate team progress via regularly scheduled team workshops with clearly defined agendas, actions, and responsibilities as well as prepare associated charts, reports, and presentation materials required to communicate above deliverables to County staff members.

Project Duration

Jan 2005 – Feb 2005

Objective Three – Salary Survey

Task 3.1 Define the County's Compensation Philosophy

FMS will meet with FMD's Human Resource personnel to discuss:

Task 3.1 Define the County's Compensation Philosophy

FMS will meet with FMD's Human Resource personnel to discuss:

- 1) All Working Titles of FMD's O&M Division and related Administrative Working Titles for the Inventory/Warehouse personnel
- 2) The proposed process and potential target organizations for this objective

Task 3.2 Select Target Classifications and Organizations

In consultation with FMD, FMS will identify and define ten (10) Working Titles to evaluate for comparative salary and fringe benefit information. Additional Working Titles, as identified and requested by FMD, will be evaluated in accordance with item 1.3 on Exhibit A. The selected classes will meet the following criteria:

- 1) Can be precisely defined
- 2) Are found in substantial numbers in the labor market
- 3) Have easily recognizable titles (e.g. HVAC Technician, Electrician, Locksmith)

FMS will propose up to seven (7) public and private organizations located in Maricopa County that should be included in the salary survey. The ratio of public to private organizations in the survey will be no less than 50% public organizations. All information on the survey will be broken out by private sector versus public sector.

Task 3.3 Conduct a Salary and Fringe Benefit Survey

FMS will develop a questionnaire to obtain pertinent salary, fringe benefit and Working Title job descriptions data from the selected organizations. Individual contact will be made with each organization to identify and brief the appropriate person on the purpose of the survey, the confidentiality of the data, etc. Separate contact will be made to verify the comparability of specific classifications based on the essential duties and qualifications of the selected positions.

Task 3.4 Interpret Survey Data and Develop Salary & Fringe Benefit Recommendations

FMS will tabulate, summarize, and analyze the comparative compensation information obtained through the survey. Current gaps and potential improvements for Maricopa County will be identified.

The Deliverable from these Salary Survey Tasks will be a series of recommendations -- to achieve market level competition for the County to obtain qualified employee applications for key positions in FMD. Recommendations will identify proposed rates and salary ranges while taking into account the fringe benefits offered by Maricopa County for all selected Working Titles and other key positions and provide a cost impact by individual position and Working Title of any proposed changes. The results will be prioritized by Working Title so that it provides the alternatives for implementation at different times depending on available resources.

Task 3.5 Present the Survey Results and Recommendations to County Leadership

FMS will meet with the County's Total Compensation Department to discuss:

- 1) The results, recommendations and methodology of the study
- 2) To ascertain how this study impacts similar positions within Maricopa County
- 3) To compare Comparative Organizations historically used on prior studies versus organizations used in this study
- 4) Revisions to the final survey document

PROJECT SCHEDULE

FMS intends to meet the specified delivery timeframe based on a planned start date of April 5, 2004. The following is a proposed schedule for the County's Program which includes a Salary Study and is subject to refinement and adjustment based on actual needs.

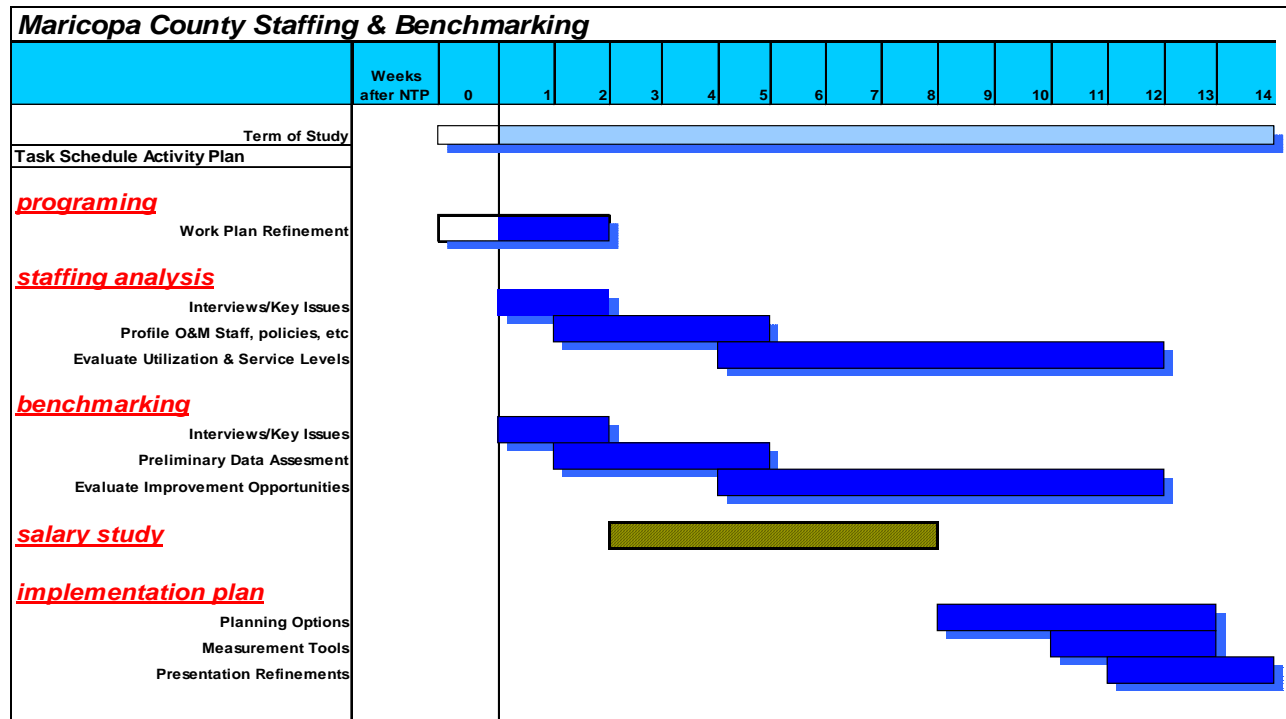


EXHIBIT D

SCOPE CHANGE CONTROL LOG

Change#	Title	Description	Initiating Event	Estimated Impact in Time	Requested By	Date	Approved By	Date
1								
2								
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								
16								
17								
18								
19								
20								

1. Change Requests may be made by any member of the Maricopa County Facilities Management Study Steering Committee or by the Consultant.
2. All Change requests must be approved by the Maricopa County Facilities Management Study Steering Committee and by the Consultant
3. Scope Change: A scope change is any modification to the agreed-upon project scope as defined by the contract.

FM SOLUTIONS, INC., 4001 N 3RD STREET SUITE 250, PHOENIX, AZ 85014
3877 N. 7TH STREET SUITE 210, PHOENIX, AZ 85014

PRICING PAGE P089518/B0604601/NIGP 91867

Terms:	NET 30
Vendor Number:	W000002592 X
Telephone Number:	602/265-7900
Fax Number:	602/265-9477
Contact Person:	Jamie Strecker
E-mail Address:	jstrecker@facilitize.com
Company Web Site:	www.facilitize.com
Certificates of Insurance	Required
Contract Period:	To cover the period ending March 31, 2007.